Chapter 1

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Subsystem Overview

Budget Execution Subsystem

Exhibits:

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Subsystem Overview

Budget Execution Subsystem

About this Chapter . . .

This chapter introduces you to terms and ideas that are discussed throughout the Budget Execution subsystem section. In this chapter, you will learn:

- What the Budget Execution subsystem is
- What budget levels are
- How to define budget dimensions
- What transactions exist within the Budget Execution subsystem
- How budgets are established
- General information about the subsystem

If you are already familiar with the basics of how the Budget Execution subsystem works, you may wish to go directly to Chapter 2.

This chapter's emphasis is on understanding key IFMS concepts relating to the Budget Execution subsystem, not on implementing these concepts. Please refer to the transaction and table sections for more information about particular tables and fields.

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Introduction

Budget execution is the financial management of Government funds. The IFMS Budget Execution subsystem automates your budget execution process by recording online all financial activity associated with the execution of EPA's budget. These activities include distributing funds and monitoring the spending of funds at all budget levels.

You create budgets in IFMS based on the requirements and existing budget structure of EPA. By specifying various system options, you define how you want funds to be distributed and controlled, and IFMS ensures that these funds are spent within their prescribed limits.

This documentation is current as of the 5.1E7 subrelease.

Budget Levels

Congress grants Government funds to EPA in the form of appropriations. Each appropriation is defined in IFMS as a fund. For example, in IFMS in fiscal year (FY) 1998, the appropriation for Buildings and Facilities is represented by Fund D. The Hazardous Substance Superfund Fund is T. All EPA appropriations are defined in the IFMS FUND Table.

The first step in creating your budget is to define your IFMS budget levels. **Budget levels** are a way of separating a fund into smaller portions. In IFMS, there are six budget levels.

IFMS Budget Levels

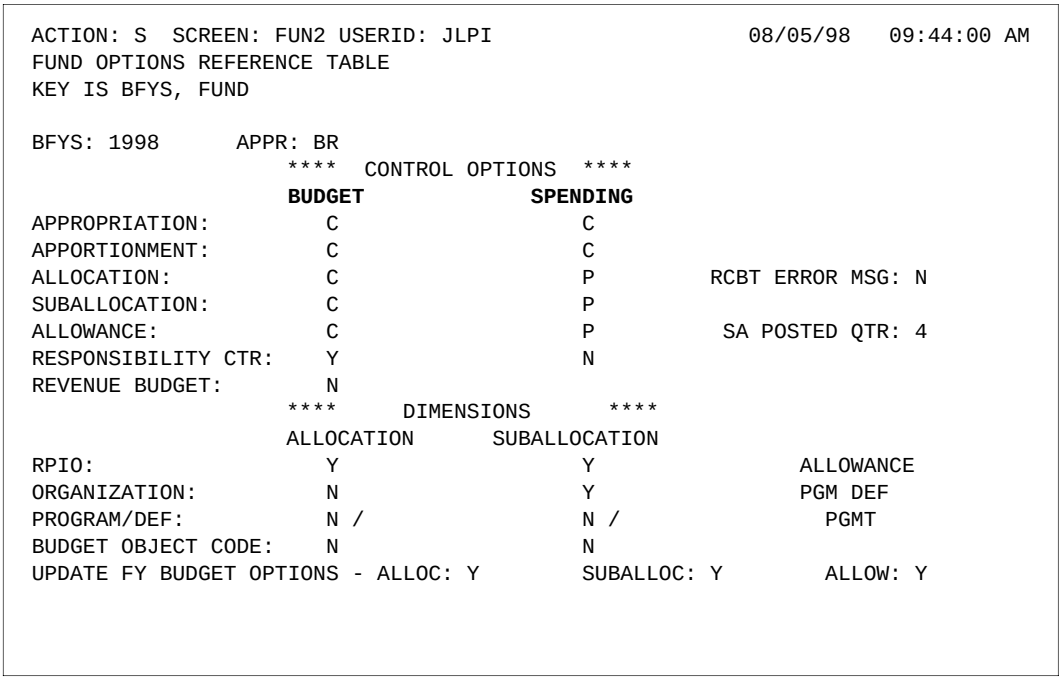
Appropriation
Apportionment

Allocation (RPIO)
Suballocation (Allowance Holder)
Allowance (Program Element, BOC)
Suballowance (Responsibility Center)

Exhibit 1

EPA uses all six budget levels. On the FUND Options Reference (FUN2) Table (Exhibit 2) EPA may determine whether a budget level will be used in defining a budget line and how funds will be budgeted at that level. Each appropriation has an entry on the FUN2 table with seven Budget Control flags, one for each budget level. These flags are set to indicate the type of control imposed over budgeting. EPA most often budgets with full control (C) at the Appropriation, Allocation and Suballocation levels and with presence control (P) at the Allowance Level. The **(C)** under Budget Control options prevents more funds from being distributed to lower levels (i.e., RPIO) than are available at higher levels (Appropriation). The **(C)** under Spending Control Options enforces spending lockouts at that level. See Chapter 3b for more information on spending controls.

FUND Options Reference Table (FUN2)



```
ACTION: S  SCREEN: FUN2 USERID: JLPI                    08/05/98   09:44:00 AM
FUND OPTIONS REFERENCE TABLE
KEY IS BFYS, FUND

BFYS: 1998      APPR: BR
                    ****  CONTROL OPTIONS  ****
                    BUDGET              SPENDING
APPROPRIATION:         C                    C
APPORTIONMENT:         C                    C
ALLOCATION:            C                    P         RCBT ERROR MSG: N
SUBALLOCATION:         C                    P
ALLOWANCE:             C                    P          SA POSTED QTR: 4
RESPONSIBILITY CTR:    Y                    N
REVENUE BUDGET:        N
                    ****     DIMENSIONS      ****
                    ALLOCATION      SUBALLOCATION
RPIO:                  Y                    Y                ALLOWANCE
ORGANIZATION:          N                    Y                PGM DEF
PROGRAM/DEF:           N /                  N /                PGMT
BUDGET OBJECT CODE:    N                    N
UPDATE FY BUDGET OPTIONS - ALLOC: Y        SUBALLOC: Y        ALLOW: Y
```

Exhibit 2

Budget Controls define how funds will be budgeted at each level.

Spending Controls define how spending will occur at each level.

This diagram depicts EPA's use of the allocation, suballocation, allowance and suballowance budget levels below the appropriation and apportionment level. Notice that EPA's budget is a hierarchical or tree-like structure with levels that correspond to the IFMS budget levels depicted on the previous page.

EPA Budget Levels

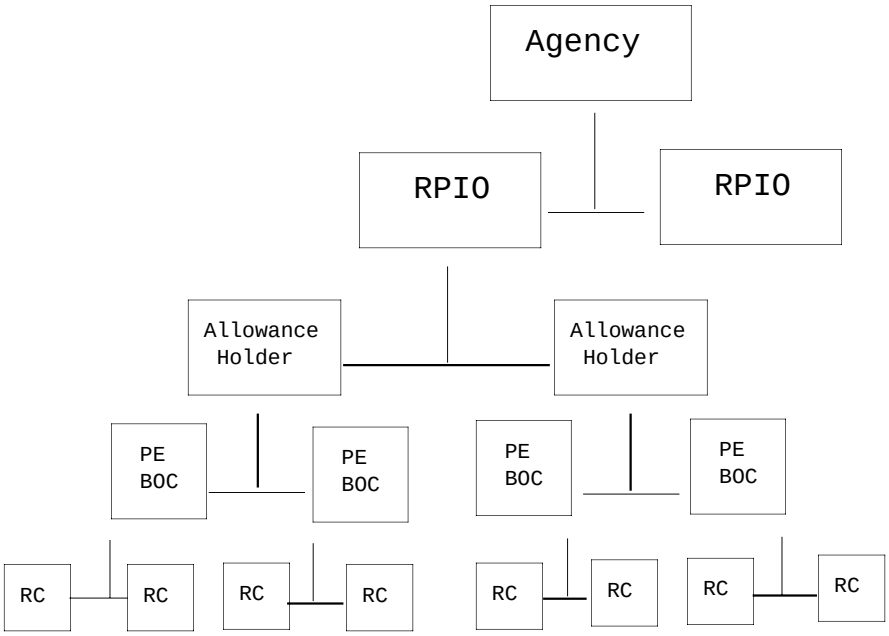


Exhibit 3

Note that a correspondence exists between each budget level and the level of management by which funds are distributed. When budgeting in IFMS, EPA uses a few different names for the same dimensions.

Dimensions at Each Budget Level

Level	EPA Management Dimension	Corresponding IFMS Dimension
ALOC	RPIO	RPIO or Allocation
SALC	Allowance Holder	Organization or Suballocation
ALLT	Allowance Holder Operating Plan	Program Element, Budget Object Class
SAIN	Responsibility Center	Suborganization

Exhibit 4

Budget Levels and Budget Dimensions

At each budget level, money is divided into smaller portions and distributed. The areas by which funds are distributed are called **budget dimensions**. Dimensions include the Responsible Planning and Implementation Office (RPIOs), Allowance Holders, Programs Elements, Budget Object Classes and Responsibility Centers.

Allocation Level - RPIOs

At the **allocation level** or RPIO level, an apportionment is divided between **Responsible Planning and Implementation Office** (RPIOs). For example, money may be allocated to any one of the ten regions and/or twelve headquarters offices. Valid RPIOs may be found on the Division Table (DVSN). An allocation to RPIO updates the Allocation Table (ALOC).

Suballocation Level - Allowance Holders

Within each RPIO, major offices exist called **Allowance Holders**. Money that has been allocated to an RPIO is further distributed between allowance holders (called organizations within IFMS) at the **suballocation level**. The suballocation level is also referred to as the Funds Control Level or the Allowance Holder level. For example, money that has been allocated to the Assistant Administrator for Water is suballocated to the Office of Wastewater Enforcement and Compliance; Office of Science and Technology; Office of Wetlands, Oceans and Watersheds; and Office of Ground Water and Drinking Water. Valid Allowance Holders are located on the Organization Table (ORGN). A suballocation to an Allowance Holder updates the Suballocation Table (SALC). At EPA, this level is also used to represent Congressional Add-ons and Superfund Sites.

Allowance Level - Program

Elements/ Budget Object Classes

The Allowance Holder divides funds between **Program Elements** and **Budget Object Classes**. This further distribution of funds takes place at the **allowance level**. The allowance level is also referred to as the Operating Plan level. The valid program elements are located on the Program Table (PGMT). Valid Budget Object Classes are located in the BUDGET BOC field for the Budget Object Class on the Budget Object Code Table (BOCT). A distribution of funds at the allowance level updates the Allowance Table (ALLT) and the Allowance Status Table (ALST).

Suballowance Level - Responsibility Centers

Many offices at EPA consist of multiple divisions or labs. These divisions and labs, often called **Responsibility Centers** at EPA or suborganizations within IFMS, distribute money at the **suballowance level**. For example, the Office of the Comptroller contains the Budget Division and the Financial Management Division. Also called the suballowance level, this level of budget distribution breaks the organization dimension into suborganizations. Valid responsibility centers or suborganizations are located on the Organization (ORGN) Table.

For further information on the ORGN Table, see Chapter 2 of General Systems. A distribution of funds at the suballowance level updates the Suballowance Table (SAIN), the Suballowance Spending Control Table (SASP), and the Responsibility Center Budget Table (RCBT).

Budget Reference Tables

Budget Dimension Code	What Code Means	Reference Table that Defines Code
Budget Fiscal Years	Fiscal year(s) in which money is available for a given appropriation.	Fiscal Year Table (FSYR)
Fund/APPR	With the Budget Fiscal Year, represents a uniquely identified appropriation.	Fund Table (FUND)
RPIO	First level of EPA's organizational hierarchy, defined at Allocation level.	Division Table (DVSN)
Allowance Holder (Organization)*	Second level of EPA's organizational hierarchy, defined at suballocation level.	Level 01 record on the Organization Table (ORGN)
Program Element	Functional breakdown of EPA's activities. Program elements may cross many RPIOs and Allowance Holders. Defined at the allowance level.	Program Table (PGMT)
Budget Object Class	A category on which EPA spends funds. Defined at the allowance level.	BUDGET BOC field in the Budget Object Code Table (BOCT)
Responsibility Center (Suborganization)	Third level of EPA's organizational hierarchy, defined at the suballowance level.	Level 02 record on the Organization Table (ORGN)

* *EPA also uses this level in IFMS to represent Site Allowances and Congressional Add-ons. They are found in the ORGN Table, level 1.*

Exhibit 5

Budget Fiscal Year 1998

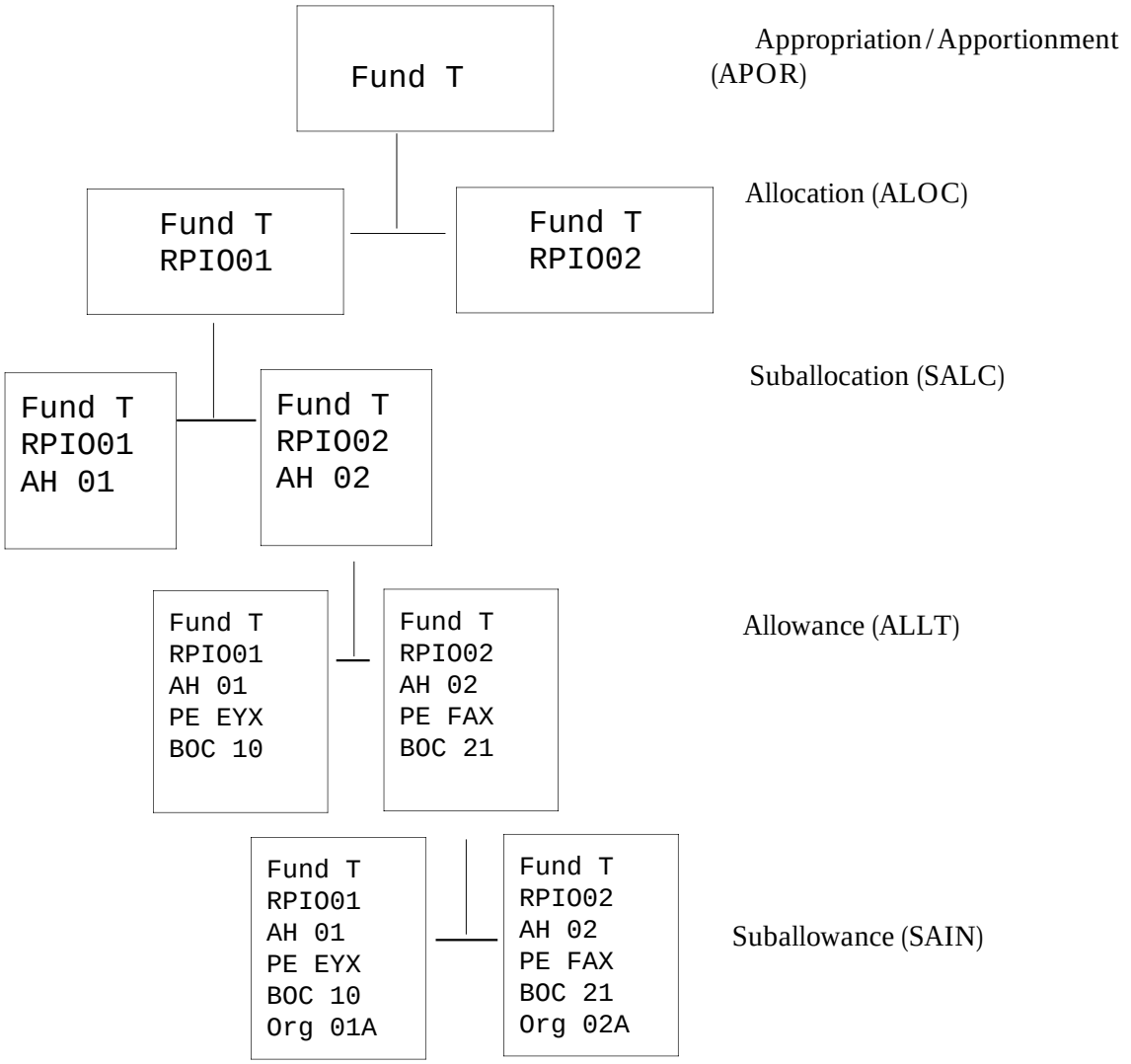


Exhibit 6

Defining Dimensions for Budget Levels

Budget dimensions are defined for each budget level on related tables and transactions. You define budget dimensions for the appropriation, apportionment, allocation, and suballocations on the Fund Options Reference Table (FUN2). You specify allowance dimensions on the Division Table (DVSN) and suballowance dimensions on the Allowance Transaction (AL) which updates the Suballowance Options Table (SAOP).

The following chart shows which budget dimensions are used to define how funds are distributed at each budget level and the reference tables on which each dimension is defined (validated) at EPA.

Budget Tables on which Dimensions are Validated

Budget Level	Dimensions	Table or Transaction on which Dimensions are Validated
Appropriation Level	Budget Fiscal Year(s) Fund	Fund Options Reference (FUN2) Table
Apportionment Level	Budget Fiscal Year(s) Fund	Fund Options Reference (FUN2) Table
Allocation or RPIO Level	Budget Fiscal Year(s) Fund RPIO	Fund Options Reference (FUN2) Table
Suballocation or Funds Control Level Allowance Holder Level	Budget Fiscal Year(s) Fund RPIO Allowance Holder (Organization)	Fund Options Reference (FUN2) Table
Allowance, Allotment or Operating Plan Level	Budget Fiscal Year(s) Fund RPIO Allowance Holder (Organization) Program Element Budget Object Class	Division (DVSN) Table
Suballowance or Suballotment Level	Budget Fiscal Year(s) Fund RPIO Allowance Holder (Organization) Program Element Budget Object Class Responsibility Center (suborganization)	Allowance (AL) transaction (updates the Allowance Options Table (SAOP))

Exhibit 7

Establishing Budgets

The following steps are taken to set up a budget:

1) Create a record on the Fund Table (FUND) for a valid appropriation.

2) On the Fund Options Table (FUN2), set the budget and spending controls and designate the dimensions to be used at the Allocation and Suballocation levels.

3) On the Division Table (DVSN), designate the dimensions to be used at the Allowance level for each RPIO to which you budget funds.

4) Validate the RPIOs, Allowance Holders, Responsibility Centers, Congressional Add-ons, Superfund Sites, Program Elements and Budget Object Classes on the Reference tables.

5) Enter budget transactions to create budgets with pending dollars and/or available FTEs.

6) Enter budget approval transactions to approve and post budgeted dollars.

7) Review budget Inquiry tables to confirm budgeting.

Budget Transactions

After your budget levels and dimensions are defined, you establish your budget by distributing funds to each budget level you chose to use. In IFMS, you distribute funds by entering budget transactions. Because these transactions define the amount of funds available at each budget level, they must be processed *prior* to any spending transactions.

For most budget levels, you can distribute funds using one of two methods:

- By entering pending and approval transactions. You must use this method to distribute funds at the apportionment level.
- By entering a Budget Execution (BE) transaction (currently not being used by EPA).

Note

1) All budget transactions are entered with whole dollars only.

2) The IFMS Budget Preparation system has the capability to create all of the transactions to establish a budget. EPA uses this to load EPA's initial operating plan. By using pending and approval transactions, you can enter your pending budget amounts online and check that they are correct before these amounts are approved, possibly by another user. At all budget levels except the suballowance level, two transactions are required to enter and post budget amounts.

Entering Pending and Approval Transactions

Budget transactions which record pending amounts, approve amounts and post amounts are entered in two different scenarios:

loading of initial budget

increasing or decreasing funds from an appropriation

Record Pending Amounts

You enter pending budget amounts for a particular budget level by using pending transactions. The amounts entered on these transactions update the online inquiry tables, however, they are not available for spending until the amounts are approved and posted using approval transactions. When money is pending, it appears in the PENDING AMT field on the budget table for that budget level. Pending transactions include the:

Appropriation and Apportionment (AA) transaction

Allocation (AC) transaction

Suballocation (SL) transaction

Allowance (AL) transaction

When a pending transaction has been recorded for a wrong amount, a new transaction may be created for the same budget line and the correct amount. The new transaction overwrites the previous record. For additional information on creating pending transactions, refer to the Budget Load Transactions section.

Approve and Post Amounts

When you process an approval transaction, all pending budget amounts are approved and funds from specified quarters are *posted* to the General Ledger. Posting a quarter makes the funds in that quarter available for spending. Until a quarter is posted, no money in that quarter may be committed, obligated or spent. The approval transaction, upon being processed, updates the online inquiry tables. The approved amounts that have not been posted are still not available for spending until they are posted to the General Ledger and journals. Approval transactions include the:

Apportionment Approval (PA)

Allocation Approval (CA)

Suballocation Approval (AS)

Allowance Approval (LA)

At the suballowance level, two transactions are not required to set pending, approve and post amounts. On the Suballowance (SA) transaction, you may enter and post suballowance amounts at one time.

Budget amounts are posted to the general journal through a specified quarter. For more information on journals and posting, refer to the following description of posting budget transactions as well as the transaction section.

Reject Amounts

You may reject pending amounts (i.e., not approve them) on approval transactions as well. If you reject the pending amounts, the pending amounts are cleared from the Budget Execution tables.

At the Allowance level, you have the option of rejecting pending amounts by opening them to additional changes or of rejecting, clearing and opening pending amounts. If you reject pending amounts without clearing them, you do not change any amount field. You only change the allowance status indicators in the Organization Table (ORGN) and the Division Table (DVSN) from **Y** to blank. More changes to pending amounts can then be entered. If you reject and clear pending amounts, the amount fields are cleared to zero on the budget tables. This option also changes the allowance status indicators in the ORGN and DVSN tables from **Y** to blank.

The following transactions exist in the Budget Execution subsystem. The first ten transactions are used to set pending or approve/post a budget.

Budget Execution Transactions

Budget Execution Transaction	Transaction Code	Purpose
Appropriation and Apportionment	AA	Enter appropriations, and pending apportionments
Apportionment Approval	PA	Approve, post, or reject pending apportionments
Allocation	AC	Enter pending allocations
Allocation Approval	CA	Approve, post or reject pending allocations
Suballocation	SL	Enter pending suballocations
Suballocation Approval	AS	Approve, post or reject pending suballocations
Allowance	AL	Enter pending allowances
Allowance Approval	LA	Approve, post or reject pending allowances
Suballowance	SA	Enter and post suballowances *
Suballowance Zero Budget Document	SZ	Enter zero dollar budgets
Budget Execution	BE	Enter and post allocations, suballocations and allowances
Budget Division Reprogramming	RP	Reprogram fund amounts at any budget level below appropriation
Budget Reprogramming Request	RR	Reprogram between Allowance Holders (organizations) and Responsibility Centers (sub-organizations)

** Posts budget through the quarter indicated as the SA Posted Qtr on the FUN2 Table.*

Exhibit 8

Budget Execution Processing Chain

Nine of the Budget Execution transactions form the basic processing chain for entering a budget. The chart below illustrates how the transactions interact to create a budget.

Budget Execution Processing Chain

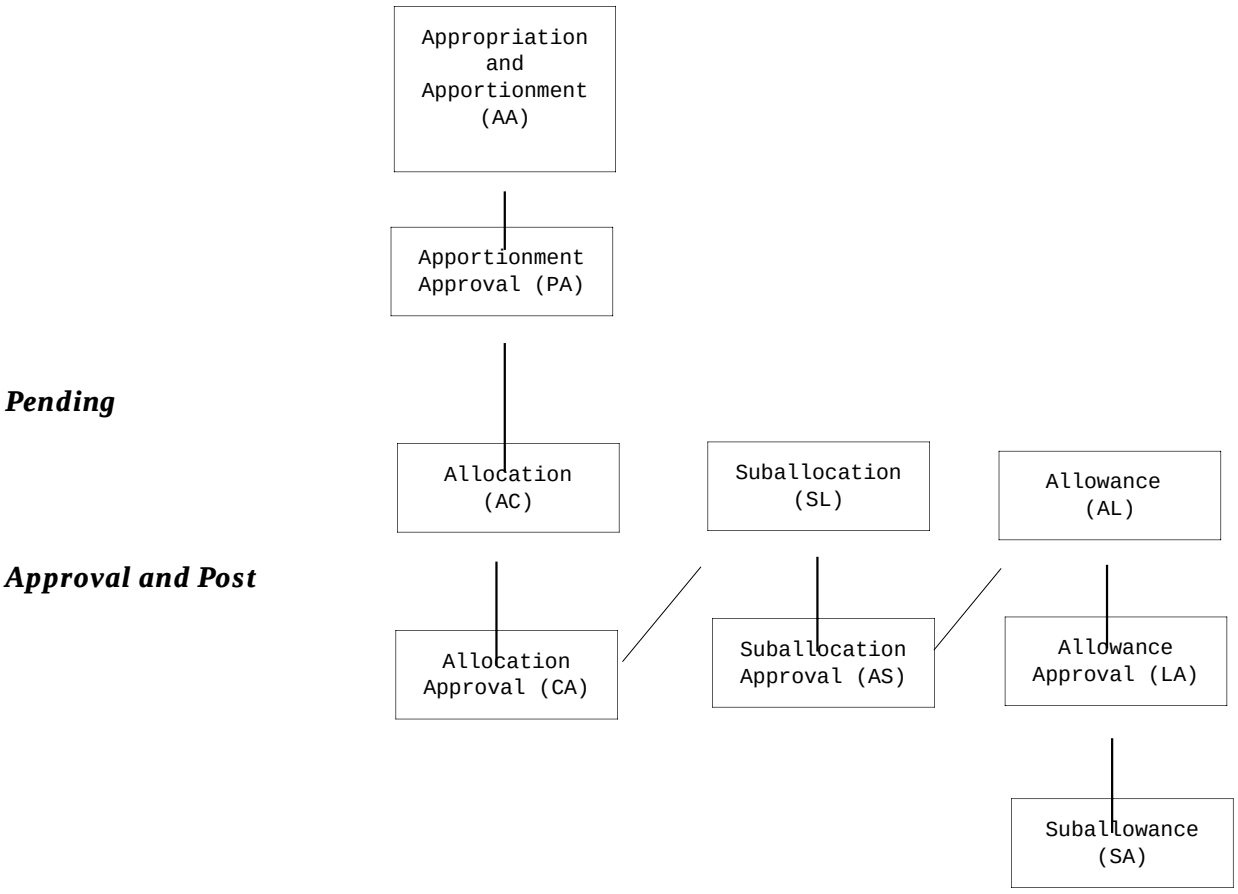


Exhibit 9

Posting Budget Transactions

Budget transactions are always posted through a specified quarter. For example, at the beginning of quarter 1, post through quarter 1; at the beginning of quarter 2, post through quarter 2, etc. For some budget lines, you may choose to post the full amount through quarter 1 so that spending may occur at a more flexible rate.

Posting makes the **year-to-date budget authority**, the amount of funds available for spending, equal to the sum of all approved amounts through a specified quarter.

Example

Suppose that the pending and approved allowance amounts are as follows:

Quarter	Pending	Approved
1	0	5000
2	1000	5000
3	2000	4000
4	0	4000

If posting is performed through quarter 3, the allowance YTD budget authority would be $14,000. This means that the amount of funds you can spend through the quarter is limited to $14,000.

Even though the $4,000 for quarter 4 is approved, it is not available for spending until it is posted.

Budget Execution (BE) Transaction

By using the Budget Execution (BE) transaction (currently not being used by EPA), you may bypass the pending and approval steps by directly distributing and posting fund amounts to the general journal through a specified quarter. The BE transaction may be used to post fund amounts for the allocation, suballocation and allowance budget levels. For example, you may post a budget through either of the following processing chains:

Budget Execution Transaction Chain

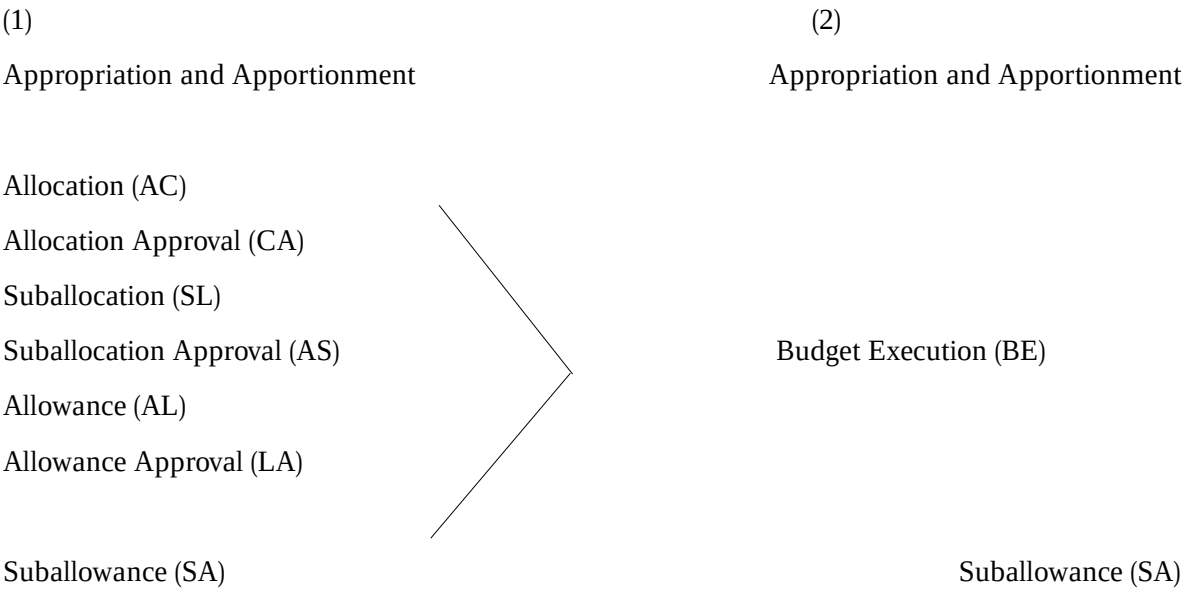


Exhibit 10

Table Updates

The information entered on the budget execution transactions updates 23 inquiry tables. Seven of these tables, below, contain the primary details about each level of a budget line.

Transactions and Their Inquiry Table Updates

Transaction	Table
AA/PA	APPR, APOR
AC/CA	ALOC
SL/AS	SALC
AL/LA	ALLT
SA	SASP, SAIN, RCBT

Exhibit 11

Each record on a budget table tracks how much of its funds have been given to lower level dimensions. For example, the Appropriation Table (APPR) tracks how much of its appropriated dollars are allocated. The ALOC Table tracks how much of its allocated dollars are suballocated. To track this information, these tables are updated by transactions at the next lower budget level. These updates are identified in the graph above as dotted lines.

The following budget tables are updated by the transactions below which a • is placed.

Budget Load Transaction Crosswalk

TABLE ID	AA	PA	AC	CA	SL	AS	AL	LA	SA
APPR	!	!		!					
APOR	!	!		!					
FAPP	!	!		!					
FAPR	!	!		!					
APPF	!		!						
APOF	!		!						
APLT	!								
ALOC			!	!		!			
FALC			!	!					
ALOF			!		!				
SALC					!	!		!	
FSAL					!	!			
SALF					!		!		
ALLT							!	!	!
ALST							!	!	
FALT							!	!	
ALLF							!		!
RCBT									!
SAOP							!	!	!
SAIN									!
SASP									!
SAIF									!
SAFR									!
SAST									!
GLDB, GLBL, MSGL	!	!	!	!	!	!	!	!	!

Exhibit 12

Budget Execution General Information

Previously in this chapter, you have reviewed how to create a budget containing various budget levels and dimensions and how to distribute money between these budget lines. This section will briefly cover the following aspects of Budget Execution:

- Spending Controls
- Calculating funds available
- Determining current status of funds
- Defining budget relationships
- Allowance organizations options
- Reprogrammings
- Fund split posting capability
- Allowance submission option
- Revenue budgets

Spending Control Options

Spending Controls define how IFMS restricts the processing of spending transactions against a budget line. A spending transaction is any transaction that records a commitment, obligation or expenditure.

Different spending controls can be specified at each budget level within an appropriation. Spending controls for the appropriation, apportionment, allocation, suballocation, allowance, and suballowance budget levels are defined on the Fund Options Reference Table (FUN2). The FUN2 Table allows you to assign spending controls on an appropriation basis. Spending controls are not the same as the budget controls on the FUN2 Table. While the budget controls determine how to budget at a particular level, spending controls independently determine how to *spend* at a particular level. Suballowance options are specified on three tables: the Suballowance

Spending Control Inquiry Table (SASP), the Suballowance Options Table (SAOP), and FUN2. IFMS will check spending controls first on SASP, second on SAOP, and lastly on FUN2.

When setting up a budget, you must create an entry on the FUN2 Table for each of your appropriations. After defining the levels by which you will budget, you determine if and how spending will occur at each level. There are four different spending control options: Full **C**ontrol, **P**resence Control, **N**o Control and **I**gnore.

Code	Spending Control
C	Full Control
P	Presence Control
N	No Control
I	Ignore

Full Control

Full Control (C) specifies that for a spending transaction to be processed:

The budget line(s) that the transaction references must exist in the Budget Execution tables. For example, if you enter an obligation referencing a specific allowance, the allowance must exist on the Allowance Table (ALLT).

The transaction amount must not exceed available funds. To continue the example above, the amount to be spent must be less than or equal to the available balance of the allowance on the ALLT Table.

In IFMS, Full control is generally set at the apportionment, allocation and suballocation levels. The suballocation represents the Allowance Holder Appropriation level. This is the level that an Allowance Holder is "locked out." A transaction cannot exceed the available balance.

Presence Control

Presence Control (P) means that for a spending transaction to be processed:

The budget line that the transaction references must exist in the budget. For example, if you enter an obligation referencing a specific allowance, the allowance must exist on the ALLT Table, but funds do not have to be available for IFMS to process the transaction. As a result, you may overspend for a particular budget line.

In IFMS, this is the option used at the Operating Plan level (allotment).

No Control

No Control (N) allows you to spend without referencing an existing budget line. In addition, funds do not have to be available for a spending transaction to be processed. Instead, if the budget line does not exist, this option creates the budget line during processing of the spending transaction. This is the control used at the responsibility center level (SASP, SAIN, and RCBT Tables) which allows spending to occur before the responsibility center budgets are established. For example, if you enter an obligation referencing a specific responsibility center organization and the account number does not exist in the SAIN Table, IFMS will create the SAIN line in the budget. IFMS will process the obligation transaction even though budget funds are not available.

Ignore

Ignore (I) is used to exclude a specific budget level. No transactions are processed for the excluded budget level or budget lines created when using the ignore option. If EPA should decide, for example, to not use the suballocation budget level in the budget of a particular fund, EPA may specify the Ignore option at the suballocation level. When the suballocation spending control option flag is set to **I**, IFMS does not create a suballocation budget line or process any transactions at the suballocation level. Instead, IFMS begins processing spending transactions at the next lower level, in this case the allowance level, using the allowance level's spending control option to determine if the transactions should be processed.

The spending control may not be set to Ignore unless the budget control for that level is set to Ignore. Additionally, IFMS does not permit the Ignore option at the Allowance level.

The diagram below illustrates how spending controls may be set to process spending transactions. Before IFMS will process a transaction, it checks that all of the associated Budget levels have enough funds in their budget and that the overall appropriation has enough funds remaining to process the spending transaction.

IFMS Spending Controls

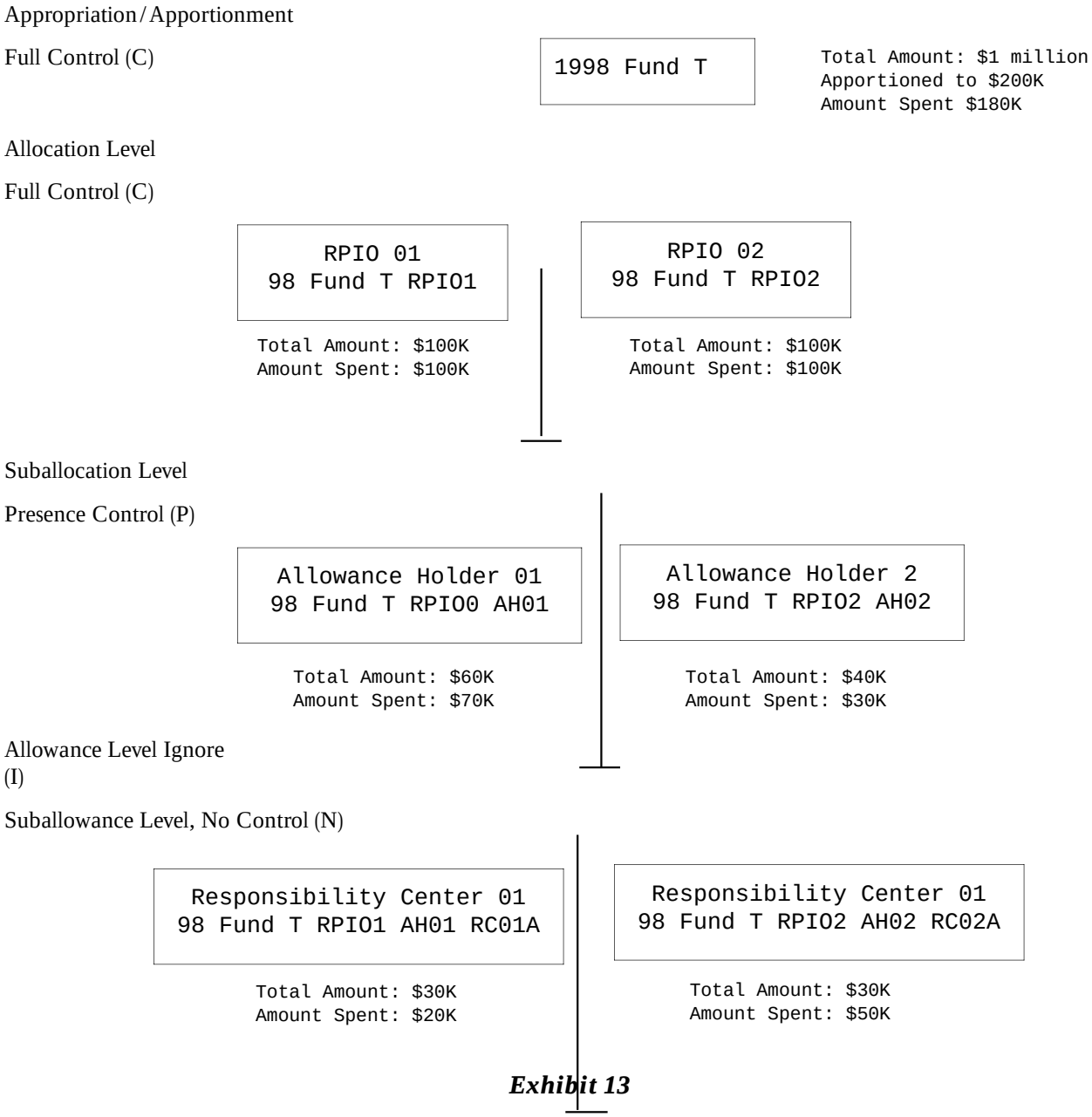


Exhibit 13

* Note: The above example does not reflect how EPA sets funds control. EPA sets its funds control to Full Control for the Appropriation, Apportionment, Allocation and Suballocation levels. EPA sets Presence Control at the Allowance level and No Control at the Suballowance/RC level.

Example

Using options other than Full Control (C) at various budget levels affects how a spending transaction is processed.

To begin the example, suppose you enter a spending transaction for $2000 into IFMS with the following dimensions specified on the transaction: 98 Fund4A RPIO01 Org1A PgmA.

Based on the budget established in the diagram, the following checks will be performed as the transaction is processed up through the budget.

Suballowance level

By looking at the dimensions on the spending transaction, IFMS determines that the spending transaction is referencing responsibility center (sub-organization) 1A at the suballowance level.

Because the spending control option for the suballowance level is No Control (N), IFMS moves on to the next higher budget level to perform spending control edits. IFMS does not create a new budget line at this level because the spending transaction referenced an existing budget line.

Allowance level

In IFMS, the budget level preceding suballowances is allowances. Since, in this example, the allowance level is not being used for this fund, the allowance spending control option is set to Ignore (I), which tells IFMS to go on to the next higher budget level.

Suballocation level

In this example, the suballocation spending control option is Presence Control (P). Thus, IFMS compares the dimensions on the spending transaction with the dimensions defined at the Suballocation level, and determines that the transaction is referencing a valid budget line. Because Presence Control is used at this level, IFMS will not reject the transaction based on funds availability.

Allocation level

IFMS first checks to determine if the spending transaction is referencing a valid budget line. The allocation referenced is RPIO 01 which is valid. IFMS then checks if the RPIO 01's budget has enough funds available to process the transaction. The allocation line indicates that the budget for RPIO 1 contains a total of $100,000 which has been completely spent. Therefore, there are no available funds for RPIO 01.

Because the spending transaction is for $2,000 and there are not any available funds left, IFMS concludes that RPIO 01 does not have sufficient funds at the Allocation level to process this transaction. The spending transaction for $2000 is rejected.

By using different spending control options at each level, or by overriding existing controls, EPA is creating a budget structure that is flexible. Funds are spent based on the needs of the different parts of an organization within a budget level; not on initial funds estimates which may or may not be accurate. IFMS will allow overspending at each level up to the appropriation level. The total appropriation amount cannot be overspent.

In the example, there were adequate funds to process the transaction using the referenced RPIO (at the allocation level). However, IFMS rejected the transaction because RPIO 02 was permitted to overspend the amount of funds in their budget.

Overriding Spending Controls

A user has flexibility when working with funds control. There are five different methods available to adjust or override the spending control options set on the Funds Options Table (FUN2):

Override Transaction Errors	Override existing spending controls on individual spending transactions.
Deactivate Budget Line	Deactivate budget lines using budget transactions.

Spending Control Indicator	Use the Spending Control Indicator on allocation, suballocation, allowance, and suballowance transactions.
Local Spending Control	Use the Local Spending Control Table (LSPC) to set spending controls for individual budget buckets at the Allocation, Suballocation, and Allowance budget levels. Use the Responsibility Center Local Spending Control Table (LSP2) to set spending controls for budget buckets at the Suballowance budget level.
Controls by Data Element	Create spending controls by data element or data element groups on the Additional Group Spending Control Reference Data Table (AGSC), Additional Spending Dimension Reference Table (ASDT) and Group Data Element Spending Control Reference Data Table (ASGC).

In case of emergencies, users with sufficient authority can **override spending control errors** in order to force IFMS to process a spending transaction that has been rejected for insufficient funds. A select number of users may override this level 9 error.

Spending can also be controlled by **deactivating a budget line**. Once a budget line is deactivated (or inactive), no further spending can be made against the budget line. This means that expenditures can be processed against existing obligations, but no new obligations may occur. Because budget lines can be reactivated at any time, budget line deactivation is a good way to freeze spending for short periods of time.

You can deactivate a budget line at any level below appropriation using budget transactions. To deactivate a budget line, enter a **D** in the ACT field on the transaction for the budget level at which you intend to deactivate the line. You can also deactivate allocation, suballocation and allowance budget lines using the Budget Execution (BE) transaction.

Note

Transactions that increase fund amounts, such as cancellations of existing obligations, will be processed even though the budget line is deactivated.

You may change the spending controls for individual allocation, suballocation, allowance, and suballowance budget lines by using the **Spending Control Indicator** on the Allocation (AC), Suballocation (SL), Allowance (AL), and Suballowance (SA) transactions. When a spending control is entered in the SPN OVR field, the spending control option for that budget line is changed to the specified control. You have the option of changing any control to Full Control (C) or Presence Control (P). When an override value is assigned to a budget line, the SPENDING CONTROL OVR field on the budget tables is set to **C** (Full) or **P** (Presence) and the FUN2 Table's spending control is not used.

When no override value has been assigned for the spending control, the SPENDING CONTROL OVR field is blank on the budget tables and the record uses the spending control defined on the FUN2 Table. At the Suballowance level, one additional spending control exists on the SAOP Table. The FUN2 Table is used at the suballowance level if the SPENDING CONTROL OVERRIDE field on SASP and the SPENDING CONTROLS field on SAOP for the suballowance are both blank.

Example

Suppose the allowance spending control on the Fund Options Reference (FUN2) Table is Presence Control (**P**). By entering **C** in the Spending Control Option field, you change the spending control of the allowance level (for that budget line only) to Full Control. Presence Control remains in effect for allowances not specified on this particular AL transaction.

Changes to the spending control may need to be made for many different budget lines at one time. To simplify the change to the Spending Control, the Local Spending Control Table (LSPC) and the Responsibility Center Local Spending Control Table (LSP2) have been created. Modifications to the spending control that affect one or more budget lines, called "local" spending controls, may be accomplished with the LSPC online table. The LSPC Table allows specific allocation(s), suballocation(s) or allowance(s) to have different spending controls than those set on the Fund Options Table (FUN2).

The LSP2 Table allows for global spending controls at the suballowance level. When spending control changes must be made to specific records at a budget level, you may enter the budget line and the new spending control on the LSPC Table (for allocations, suballocations, or allowances) or the LSP2 Table (for suballowances).

Enter a specific record or range of records at either the ALOC, SALC, or ALLT budget table level. To define the local spending control for the record(s), specify the budget fiscal year, budget level (ALOC, SALC or ALLT), budget dimensions and spending control on the LSPC Table. Suballowance (SASP) level spending controls can be set on the LSP2 Table.

The Allocation (ALOC), Suballocation (SALC) or Allowance (ALLT) budget tables are updated with the new spending control, depending on the budget level set on the LSPC Table.

Local Spending Control Table (LSPC)

```
ACTION: S  SCREEN: LSPC USERID: YEAR                    07/10/98   11:45:10 AM
                      *** LOCAL SPENDING CONTROL TABLE ***
KEY IS BUDGET FISCAL YEARS, BUDGET LEVEL, APPR, RPIO, ORG, PROGRAM ELEMENT, BOC
     BUDGET   BDGT                                          SPENDING   APPROVED/
      FYRS    LVL    APPR   RPIO    ORG     PROGRAM   BOC   CONTROL   PROCESSED
    --------- ----  ------  ----  -------  ---------  ----  --------   ---------
01- 1997 1998 ALLT    4A     01     01      ABCDEF     21       P
02- 1997 1998 SALC    4A     01                                C
03-
04-
05-
06-
07-
08-
09-
10-
11-
12-
13-
14-
15-
```

Exhibit 14

You may set spending controls by data element or data-element groups that are independent of the budget hierarchy. A data element may be any combination of Appropriation, RPIO, Allowance Holder, Program Element, Budget Object Class or Responsibility Center. To set controls by data element(s), create entries on the Group Data Element Spending Control Reference Data Table (ASGD), add limits on the Additional Group Spending Control Reference Data Table (AGSC) and verify data element definitions on the Additional Spending Dimension Reference Table (ASDT). For each group of data elements, a dollar limit is set that acts as a control.

Example

You may set a spending limit for all four Budget Object Classes (BOCs 10, 12, 25, 27) in program element ABCDEF at the total funds amount of the four BOCs ($400). A BOC may overspend its individual fund amount, $100, as long as it does not exceed the total BOC amount of $400. In essence, presence control has been set on the BOCs and a limit has been set for the individual program element ABCDEF. By setting the limit at the program element's full amount, $400, you set the spending for the program element at Full Control.

AGSC Table

```
ACTION: R  SCREEN: AGSC USERID: JLPI                    08/13/98   10:22:58 AM
ADDITIONAL GROUP SPENDING CONTROL REFERENCE DATA TABLE
KEY IS BUDGET FISCAL YEARS, GROUP NAME
                                                      ACCUMULATED       DELETE
      BFYS       GROUP NAME      SPENDING LIMIT         AMOUNT          FLAG
    ---------  --------------  -----------------  -----------------  ------
01- 1992       AC&C REIMB                   0.01               0.00    N
    DATED AS OF: 01 29 1992  AVAILABLE AMOUNT:              0.01
    DESCRIPTION: NO PC&B SPENDING IN AC&C REIMB
02- 1993       NO BOC25 AC&C                0.01            -477.90    N
    DATED AS OF: 04 05 1993  AVAILABLE AMOUNT:            477.91
    DESCRIPTION: NO BOC 25 ALLOWED IN AC&C - 3B
03- 1993       NO BOC27 AC&C                0.01          -1,611.16    N
    DATED AS OF: 10 28 1992  AVAILABLE AMOUNT:          1,611.17
    DESCRIPTION: NO BOC 27 ALLOWED IN AC&C 3B
04- 1993       OIG-LUST               208,389.48          -8,441.75    N
    DATED AS OF: 09 21 1993  AVAILABLE AMOUNT:        216,831.23
    DESCRIPTION: HAD 610K, SPENT 410,610.52
05- 1993       OIG-SUPERFUND        2,251,873.08         -83,384.32    N
    DATED AS OF: 09 21 1993  AVAILABLE AMOUNT:      2,335,257.40
    DESCRIPTION: HAD 14,574.0 SPENT 2251,873.08
```

Exhibit 15

Once spending occurs against a budget line, the budget inquiry tables are updated with spending information. Each of the budget tables contains information on the Year-to-Date unliquidated committed amount, Year-to-Date unliquidated obligated amount, expended amount and available amount.

Calculating Amount of Funds Available for Spending

IFMS calculates the amount of funds available for spending at each budget level. IFMS calculates this amount when the spending control option is set to Full Control (C) or Presence Control (P) for a specified budget level.

The budget transactions described earlier in this chapter create entries on Budget Execution inquiry tables. These tables are then updated by spending transactions as spending occurs against each budget line. As a result, you can view the current, committed, obligated, expended and available amounts by using online inquiry tables. The following tables contain budget information for each budget line:

Appropriation Inquiry Table (APPR)

Apportionment Inquiry Table (APOR)

Fiscal Year Apportionment Inquiry Table (FAPR)

Fiscal Year Appropriation Inquiry Table (FAPP)

Allocation Inquiry Table (ALOC)

Fiscal Year Allocation Table (FALC)

Suballocation Inquiry Table (SALC)

Fiscal Year Suballocation Table (FSAL)

Allowance Inquiry Table (ALLT)

Allowance Status Table (ALST)

Fiscal Year Allowance Table (FALT)

Suballowance Spending Control Inquiry Table (SASP)

Suballowance Inquiry Table (SAIN)

Suballowance Forward Reference Inquiry Table (SAFR)

Once spending occurs against a budget line, the budget inquiry tables are updated with spending information. Each of the budget tables contains information on the Year-to-Date unliquidated committed amount, Year-to-Date unliquidated obligated amount, expended amount and available amount.

There are five different calculations used to find the amount of funds available for spending:

1. Available Funds Amounts for Unexpired Appropriations
2. Available Funds Amounts for Expired Appropriations
3. Available Funds Amounts for Closed Appropriations
4. Available Funds Amounts for Apportionments
5. Available Funds Amounts for All Other Budget Levels

Note

The equations that follow assume that you have specified Full Control (**C**) for each of your budget levels. If you are not using Full Control (**C**) at each level, portions of this discussion will not be relevant to your budget situation.

Before explaining how IFMS calculates fund amounts, you might find it helpful to review the following terms.

Terms Used in Funds Calculations

Unexpired Fund

An unexpired fund is an appropriation that is still open. Funds can be committed, obligated, or expended against the appropriation.

Expired Fund

An expired fund is an appropriation whose budget fiscal year(s) is closed. The appropriation remains expired for five years following this time. No new commitments or obligations should be made against this appropriation, but funds already obligated may be expended. Unobligated balances remain with the obligated balances, and are available for recording, adjusting,

and liquidating any obligations properly chargeable to the account prior to the time the appropriation expired.

Closed Fund

A closed fund is an appropriation whose budget fiscal year(s) has been expired for five years. At this time, all balances are canceled and returned to Treasury. The balances are not available for any spending. However, a "subclass" of an unexpired account may be established (limited to 1% of the current appropriation's authority) for the purposes of recording, adjusting, and liquidating any obligations properly chargeable to the account prior to the time the appropriation expired.

No-Year Fund

A no-year fund is an appropriation that does not expire at the end of a budget fiscal year. Instead, the obligated funds are carried over to the next fiscal year.

Carryover Amount

A carryover amount is the amount of a no-year or 2-year appropriation that is carried over from one fiscal year to the next.

Lapsed Amount

The lapsed amount is the unobligated portion of an expired appropriation that was returned to Treasury's account.

Statutory Reserve Amount

At times, the Office of Management and Budget (OMB) holds in reserve part of an appropriation. The part of the appropriation held in reserve, that cannot be spent, is the Statutory Reserve Amount.

Estimated Reimbursement Amount

An estimated reimbursement amount is the estimated amount that EPA plans to be reimbursed from other organizations for funds spent.

Actual Reimbursement Amount

An actual reimbursement amount is the actual amount that EPA receives from other organizations for funds spent.

Prior-Year Recovery Withdrawal Amount

A prior-year recovery withdrawal amount is the amount of the actual recovery from a prior year. This amount is updated by spending transactions.

 # Actual Recovery Amount

An actual recovery amount is the amount of the actual recovery when an obligation incurred in one fiscal year is decreased in a subsequent fiscal year.

Available Funds Amounts for Unexpired Appropriations

IFMS calculates the available funds amount for unexpired appropriations on the APPR and FAPR Table using this equation:

Unexpired Appropriations

```
Available Funds
Amounts for Unexpired    =    Approved Apportionment Amount
Appropriations                - Statutory Reserves
                              - Lapsed Amount
                              + Estimated or Actual Reimbursement Amount *
                              + Carryover Amount **
                              - Expired Amount
                              + Actual Recovery Amount
                              - Prior-Year Recovery Withdrawal Amount
                              - Amounts Spent (Commitments + Obligations + Expenditures)***
```

** Based on the Estimated Reimbursement option in the Appropriation and Apportionment transaction (AA)*

*** For No-Year Appropriations with a Carryover Option of Y in the Appropriation and Apportionment Transaction (AA)*

**** Includes the YTD unliquidated obligation and expended amounts. If the Commitment Amount Option located in the System Options Table (SOPT) is Y, the YTD unliquidated commitment amount is included.*

Exhibit 16

Available Funds Amounts for Expired Appropriations

Once an appropriation expires (its budget fiscal year is closed), any new obligations entered against the appropriation receive an overrideable error message. Obligations are often made against an appropriation, but are not expended before the appropriation

expires. Thus, at times, you may enter spending transactions that reference an expired appropriation.

IFMS calculates the available funds amount for expired appropriations on the FAPR and APPR Tables using this equation:

Expired Appropriations

```
Available Funds
Amounts for Expired    =      Approved Apportionment Amount
Appropriations                - Statutory Reserves
                              - Lapsed Amount
                              + Restorations/Withdrawals*
                              + Actual Reimbursement Amount
                              + Actual Recovery Amount
                              - Prior-Year Recovery Withdrawal Amount
                              - Amounts Spent (Commitments + Obligations + Expenditures)**
```

** For appropriations whose obligational authority expired in Fiscal Year 1990 and prior*

*** Includes the YTD unliquidated obligation and expended amounts. Does not include unliquidated commitments.*

Exhibit 17

Note

Since restorations are no longer allowed, the Expired/Restored option in the System Control Options Table (SOPT) has been removed.

Available Funds Amounts for Closed Appropriations

Once an appropriation is closed (canceled), the balances are not available for any spending. However, a "subclass" of an unexpired account may be established for spending adjustments against any

obligations properly chargeable to the account prior to the time the appropriation expired.

Spending transactions processed against a subclass account will also check the available amount of the closed appropriation at the appropriation level only.

For the purposes of this check, IFMS calculates the available funds amount for closed appropriations using this equation:

Closed Appropriations

```
Available Funds                YTD Apportionment Amount
Amounts for             =      - Expended Amount
Closed Appropriations          - Obligated Amount
```

Exhibit 18

Available Funds Amounts for Apportionments

The apportionment available funds amount is calculated as follows:

Apportionments

Available Funds Amounts for Apportionments	=	YTD Posted Apportionment Amount -YTD Unliquidated Commitment Amount * -YTD Unliquidated Obligation Amount -YTD Expended Amount

** If the Commitment Option Amount on the System Control Options Table (SOPT) is Y, this amount is included.*

Exhibit 19

Available Funds Amounts for All Other Budget Levels

The available funds amount for allocation, suballocation, allowance, and suballowance budget levels is calculated as follows:

All Other Budget Levels

```
Available Funds                YTD Posted Amount at the Budget Level
Amounts for             =      -YTD Unliquidated Commitment Amount *
All Other Budget Levels        -YTD Unliquidated Obligation Amount
                               -YTD Expended Amount
```

** If the Commitment Option Amount on the System Control Options Table (SOPT) is Y, this amount is included.*

Exhibit 20

Determining the Current Status of Your Funds

Once a spending transaction is processed, IFMS updates all online inquiry tables relating to that transaction. You can see the results of a spending transaction on your budget immediately by accessing online inquiry tables.

Organization Dimensions

The Allowance Organization field on the Organization Table (ORGN) is used to define the relationship between a sub-organization (Responsibility Center) and a "higher level" organization (Allowance Holder) for budgeting purposes. The Parent Organization and SA Level Indicator fields define the relationship between a Responsibility Center organization and a lower level sub-organization.

Example

You can budget at a higher level organization, Organization 42, but record spending at a lower organization, Organization 42A01. In this case, Organization 42A is the Parent Organization for 42A01 and 42 is the Allowance Organization for 42A01.

Organization Reference Table (ORGN)

```
ACTION: S  SCREEN: ORGN USERID: JLPI                    08/05/98   12:16:31 PM
ORGANIZATION REFERENCE TABLE
KEY IS BFY, ORGANIZATION
01-
                 BFY: ....  ORGANIZATION: 42A01            RPIO: ....
            ORG NAME: ............................ SHORT NAME: ............
         ORG MANAGER: ............................  LEVEL IND: .
                  PE: ......... APPROVAL: .    ALLOW STATUS IND: N
       ALLOWANCE ORG: 42                      REVENUE BUDGET ORG: .......
          PARENT ORG: 42A                           SA LEVEL IND: 2
     BUDGET/COST ORG: .                   DECENTRAL TRAVEL ORDER: .

                    REPORTING ORGANIZATIONS
                    -----------------------
     ORG 1: ....... ORG 2: ....... ORG 3: ....... ORG 4: .......
     ORG 5: ....... ORG 6: ....... ORG 7: ....... ORG 8: .......
```

Exhibit 21

Organization: This field may contain the Organization (Allowance Holder) defined at Suballocation level, or the Sub-Organization.

Allowance Org: This field contains the Organization (Allowance Holder) to which the suborganization rolls up.

Parent Org: This field contains the Suborganization to which 42A01 rolls up.

SA Level Ind: There may be up to 9 levels of suborganizations at the Suballowance level. The lowest level (9) rolls up to the highest level (1). Organization 42A01 is an SA Level 2 organization.

Suppose you have an allowance budget for Organization 42. When you process a spending transaction with an organization code of 42A01, IFMS budget spending control checks will be made against Organization 42A and 42. Organizations 42A and 42 will both be updated with the spending transaction in the budget tables.

Reprogramming a Budget

After a budget has been loaded, you may transfer funds within budget levels. Transference of resources between allocation, suballocation, allowance or suballowance budget lines is called **reprogramming**.

Two transactions exist to facilitate the reprogramming of funds. The Budget Division Reprogramming (RP) transaction enables a user to reprogram at any budget level below the apportionment level. On the line screen of the transaction, you specify the RPIO, Allowance Holder/Responsibility Center (ORG), Program Element and Budget Object Class that pertain to the reprogramming.

The Budget Reprogramming Request (RR) transaction only reprograms at the suballowance, allowance and suballocation budget levels. Users entering an RR transaction may not transfer funds from one RPIO to another. Unlike the RP transaction, the RR transaction contains a Controlling Organization (Allowance Holder) as summary information.

When processing a reprogramming transaction, you may choose to reprogram at only one budget level or at all budget levels above and including the lowest, or base, level. The RP and RR transactions contain a HIGH-LEVEL TRANSFER flag that determines whether one or many levels will be affected by a reprogramming. The flag defaults to **Y** which indicates that the budgets of all levels above the base level manually entered will be changed to reflect the reprogramming. When a user sets the HIGH-LEVEL TRANSFER flag to **N**, the user must manually enter all of the budget levels that will be affected by the reprogramming or override an error to reprogram only the budget level manually entered on the transaction.

High-Level Transfer Flag and Its Impact on Reprogramming

High-Level Flag	Data Entry Scenario	Error	Result of Reprogramming
N	Only base level entered	override	One level reprogrammed
N	All budget levels above and including base level entered	none	All levels entered are reprogrammed
Y	Only base level entered	none	All levels above and including base level are reprogrammed

Exhibit 22

A reprogramming transaction contains multiple lines that represent a deduction from one budget and an addition to another budget. The lines are set with FROM and TO flags to indicate how to process the reprogramming. Funds may be transferred from many budget lines to only one budget line (many:one ratio) or from one budget line to many budget lines (one:many ratio). However, the total of the FROM lines must be equal to the total of the TO lines.

For more detailed information on reprogramming, see Chapter 3a.